# Southwest Resource Advisory Council MEETING MINUTES Friday, March 17, 2006 Uncompanyer Field Office 2505 S. Townsend Ave. Montrose, Colorado

### **ATTENDEES**

### **Resource Advisory Council Members**

| Kathy Welt, Category 1         | Nik Kendziorski, Category 2  |
|--------------------------------|------------------------------|
| Mallory Dimmitt, Category 2    | Drew MacLeod, Category 2     |
| Kenneth Emory, Category 1      | Betsy Marston, Category 2    |
| John Field, Category 1         | Andrea Robinsong, Category 2 |
| Gerald Koppenhafer, Category 3 | Alan Staehle, Category 3     |

Not present: Don Bennett, Category 1, Anthony Gurzick, Category 3, Ellen Stein, Category 3

## **BLM Staff**

| Brian Davis      |                | Lynn Lewis    |                    |
|------------------|----------------|---------------|--------------------|
| Maggie McCaffrey |                | Duane Spencer |                    |
| Kenny McDaniel   |                | Barb Sharrow  |                    |
| Dennis Murphy    |                | Sally Wisely  |                    |
| Visitors         | Representing   |               | Town/City          |
| Beverly Corbell  | Daily Sentinel |               | Montrose, CO       |
| Eric A. Rechel   | Sierra Club    |               | Grand Junction, CO |
| John Whitney     | Rep. Salazar   |               | Durango, CO        |
| Matthew McCoombs | Sen. Salazar   |               | Grand Junction, CO |
| Ann McCoy Harold | Sen. Allard    |               | Durango, CO        |
| Howard Heath     | Self           |               | Montrose, CO       |
| Tamme Bishop     | Self           |               | Grand Junction, CO |

# Opening Remarks/State Director, Designated Federal Officer and RAC Chair Time

Chair Kathy Welt called the meeting to order at 9:10 a.m. Today's attendance does not constitute a quorum.

The meeting started with general introductions. Kathy presented a recognition award to Howard Heath for his previous service on the RAC. Ann McCoy Herald with Senator Allard's office was also recognized for her service to the RAC. Sally Wisely introduced herself to the group and said that her role was to listen to the group and find out what issues the RAC sees as important. She noted the importance of their direct input and thanked them for their service. Barb discussed the current nomination process and announced that the SWRAC has openings for each of the categories. She passed around a list of expiring terms and reminded people that nominations are due Monday (March 27). She also covered a number of administrative issues and passed out informational brochures.

**Public Comment** – Eric Rechel, with Grand Junction Sierra Club, asked to speak to the group in the morning because he could not stay for the afternoon Public Comment period. He explained

his concern with the possible impacts of the uranium mining, nuclear power and nuclear energy and how these activities could affect the area. He explained that the current trucking routes for uranium run along the San Miguel, Dolores and Arkansas Rivers. Recently, there was a uranium spill along the Arkansas River Valley road. None of the uranium got into the river, but this incident raised concerns about how well prepared the counties and agencies were to deal with potential impacts from these kinds of activities. He is part of a group called the Voice of Reason that had formed to look at the environmental and economic implications of these activities. They are asking the SWRAC to set up a subcommittee to look at the pros and cons of uranium mining and examine the possible impacts from the mining. This subcommittee should make sure there are programs in place to deal with uranium spills and these kinds of potential impacts. After some discussion, Andrea made a motion to consider what Eric has proposed. She moved that the SWRAC appoint a subcommittee to work on the anticipated uranium boom issue on the west end of Montrose and San Miguel Counties. Mallory seconded the motion. Since there was not a quorum, the group could not take a final vote. However, Eric, Mallory, Alan, and Andrea all volunteered to be on the subcommittee. Other members of the community at large can also be solicited.

# Field Managers Update

San Juan Public Lands Center: Brian Davis reported the San Juan Public Lands Center (SJPLC) recently filled their vacant cultural lead position with Julie Coleman, from the Uncompahgre Field Office. The Northern Basin Geographic Information System (GIS) data will be ready on May 12 for the final Environmental Impact Statement (EIS). The Record of Decision (ROD) will be forthcoming. The draft of the new San Juan Public Lands Resource Management Plan and Forest Plan is due out this summer. A second Interagency Task Force meeting was held in the Four-Corners Area. The San Juan Public Lands Center signed a Best Available Current Technology agreement with the State. Brian announced that a BLM Split-Estate Listening Session was scheduled on March 22 at the Doubletree Hotel in Grand Junction.

Gunnison Field Office: Kenny McDaniel reported that two people were leaving the GFO. One person was retiring and another person took a new position. An announcement for a Range Management Specialist has been issued. It is a two-week announcement, and he is hoping to fill the position by June. The BLM signed the Hartman Rocks Management Plan. It was about 6 years in development, and entailed about 26 work sessions and numerous field trips. He is delighted to have the plan in place. It looks like the BLM will receive a \$20,000 grant and will work with Youth Corp and local mountain biking groups to implement the plan. A Powderhorn Stewardship Contract had been developed for a forest restoration and fuels reduction project near Lake City. The BLM has been coordinating with Gunnison County on the management of Gunnison sage-grouse. Kenny reported that there was no decision yet for the listing, and the decision is expected March 31. He noted that a committee had been formed to develop a strategic plan for the Gunnison Basin. The county has closed 16 roads and BLM has closed an additional 10 roads during the breeding season of the sage-grouse. There is strong support in the basin for the road closures. The BLM received a grant for the Federal Highway Administration to work on and redo the Special Recreation Area on the Alpine Triangle. The BLM will have a request for proposals (RFP) out the week of March 20. They will work with the San Juan Public Lands Center to put together a project.

Uncompahgre Field Office: Barb Sharrow reported that the UFO archeologist Julie Coleman is leaving (for the SJPLC position), so there will be a vacancy for an archeologist. An announcement will be coming out soon. They will be advertising government wide and also to the public. The UFO is also looking for approval to fill a Geographic Information System (GIS) position. The current student GIS intern will be leaving to take another position at the end of the month. In the meantime, the State Office has been working on getting the subsurface ownership data available for the UFO and on verifying the current land status data. The BLM will work with San Miguel County to make sure they can post the subsurface information on their website. The UFO recently hired a new biological scientist, Melissa Siders, who will be starting in mid-April. Most of her career has been with the USFS, so she knows both agencies. The UFO also hired a new administrative officer, Eric Dahlkamp, to support the Grand Junction, Gunnison, Montrose and the Grand Junction and Montrose Interagency Fire units. Eric starts on April 20. He has worked in multiple offices in both the BLM and USFS.

Barb reported that a Carbon Dioxide well near Austin has been plugged. The State was the primary lead on the well, and did a great job. There are no more salts flowing into the Gunnison River from the well. The UFO sent out a scoping letter regarding a fuels project near Paonia. As residents are extremely interested in this project, they scheduled a meeting on April 13 to meet with them. Saturday, April 22, there will be a dedication at the Peach Valley Recreation Area. The Gunnison Gorge National Conservation Area (NCA) received a state OHV grant for \$50,000 to help with travel management. The UFO archeologist secured a grant from the State Historical Preservation Office (SHPO) fund for the Hanging Flume project. They plan to do a small project to evaluate feasibility and how they can restore part of it. A portion of the money will also be used to do some interpretive projects at the Naturita visitor center. Barb will bring it back to the RAC when they get to the point they are taking comments.

Barb announced that the field trip to the rock crawling area had been canceled the previous day because of bad weather. She plans to reschedule when the weather is good. Ken Emory offered to schedule people to ride along with the jeepers instead of just watch and said he would take volunteers. The group agreed that Saturdays are the best day, so Barb will reschedule and notify the members. Scheduling in conjunction with the May 19 RAC meeting in Gunnison was proposed.

Sally noted that this year federal agencies are celebrating the Antiquities Act and have scheduled a number of events to highlight cultural resources. She talked about her presentation in Washington on this issue and announced that on June 9 there will be a celebration at the Anasazi Heritage Center.

## **BLM Environmental Protections: Oil and Gas Activities**

Duane Spencer provided some basic background on the oil and gas program. He explained BLM's role in the management of oil and gas for federal lands and provided a brief history. He noted that the BLM was responsible for on-shore oil and gas leasing for the United States. They also manage oil and gas development, both drilling and development, for federal and Indian lands. He outlined the 5-step oil and gas leasing process, beginning with a parcel nomination and culminating with an Application for Permit to Drill (APD). Duane noted that the major issue BLM is facing now is requests for more information about sales and in a timelier manner. He

outlined a few of the steps the BLM has taken to respond to these requests. Duane also noted that the area of biggest contention is over split-estate. BLM can manage only the non–discretionary issues, such as threatened and endangered species on split-estate. They cannot manage for other discretionary issues, such as recreation, where the surface lands are privately held. (but the minerals are managed by the BLM). The primary question that the BLM receives from surface owners of split-estate properties is whether or not they can prohibit minerals development. The answer is no – the surface owner cannot refuse development, but they can negotiate as to where the development will be located, etc. Oil and gas activity has increased in Colorado. It is the 6<sup>th</sup> largest natural gas producing state in the nation. The BLM State Office workloads are up significantly and drilling is up about 16 percent from last year. Duane announced there will be split-estate listening session at the Doubletree Hotel in Grand Junction on March 22.

# BLM Report: RAC Four Points regarding Lease Sale Notification (originally six points)

Andrea asked how the BLM is handling the RAC's letter. Who is looking at the letter and charged with responding to it? The letter had been sent to Sally, BLM State Director, and part of the response to that letter is having Duane speak to the RAC today, as well as the listening sessions planned by the Task Force. There will also be a formal written response from the State Office. Duane revisited the four recommendations and responded to them individually.

Recommendation 1: "The Colorado BLM should extend the time period for posting notifications and advertisements of an oil and gas lease sale to 60 days prior to the sale date to be consistent with its neighboring BLM state offices. It is our understanding that the current posting time period in Colorado is 45 days, but is 60 days in Utah, Nevada, and New Mexico."

In response to the clarification on the 60-day versus 45-day notification, BLM Colorado has not confirmed that neighboring states BLM offices have revised their notifications to 60 days. Nonetheless, the Colorado State Office is trying to get notifications about parcel nominations out as quickly as possible. One problem is that the State Office does not have the whole nomination process completed until just prior to posting the notice of the sale. The State Office does not want to generate a lot of discussion on parcel nominations that are not viable, so they need to go through the nomination review process first to sort out any parcels that do not meet lease sale requirements. The Field Offices do not even get lease sale notifications until the State Office compiles the qualifying parcel descriptions and prepares the sale notices. Duane encouraged the RAC members to go to the listening sessions and make comments.

Recommendation 2: "The nominator of potential federal oil and gas lease parcels, or the BLM, should be required to identify and provide nomination notification to surface property owners of record within and immediately adjacent to nominated parcels by consulting county records or other reasonable means."

The BLM has added a 15-day notification to private surface landowners before the lease sale notice for federal minerals beneath the private lands is typically released to the public. But they cannot separate public notice from private notification. Once the BLM has issued a notification on a lease sale, even to a private landowner of split-estate minerals, they have gone public.

Regarding the RAC recommendation that the nominator would have to notify the landowner and adjacent landowners at the time they submit the nomination, Duane responded that the BLM would have to first determine if the nominated parcels qualified for sale. Another question was on whether the BLM would verify that the notification of the landowner had taken place. Duane responded that they would have to review the internal process to see if they could accommodate that. Duane thinks this is a good idea, but he is not sure what implications it would have for the State Office staff.

Recommendation 3: "Following each quarterly oil and gas lease sale, in addition to posting on the BLM web site, the BLM should post the results of the sale at each affected BLM field office. These postings should include the names and addresses of the successful bidder of each parcel sold, as well as a list of those parcels that did not sell."

Duane felt this recommendation has very good possibilities.

Recommendation 4: "The applicant or the BLM, should be required to notify the affected surface landowner *and* immediately adjacent landowners at the time an application to drill is requested by the leaseholder."

It is already a requirement to notify the affected surface landowner, but the BLM will have to look at the issue of adjacent landowners. The BLM is currently soliciting comments on the revised On-Shore No. 1 regulation and he suggested that the SWRAC send in their letter as comment. The group noted that the notification is already done with landowners with the permit to drill, but the RAC is also asking for notification to adjacent landowners. The RAC's whole intent is in recognizing that it is extremely helpful to landowners and adjacent landowners to know of the parcel nomination. Some comments that the RAC members are getting back indicate that had the landowners known about the nomination of certain parcels in enough time up front, that they would have bid. So the RAC's concern is with the need for information up front. They also feel the burden to notify should go back to the original nominee.

There was further discussion among the group about the national focus on oil and gas and the impact of this program on other programs.

**NOTE**: Barb forwarded the RAC's letter to the national Split Estate Task Force.

### Statewide Special Recreation Permit Application Fee Follow-up

Jack Placchi and John Arkins gave a short presentation on the Special Recreation Permit (SRP) Application Fee program. Since the permitting process applies to organized groups or events, they first provided the BLM definition and identified the criteria for issuing an SRP. They noted that there is some latitude for waiving the SRP requirements, although it is BLM policy not to waive the SRP requirements in exchange for volunteer work. The local BLM Field Office has discretion in determining when an organized group needs an SRP. When organized-group use is taking place in an area that is appropriate and there are no major concerns over the activity, BLM should prepare a Letter of Agreement to cover the activity. Essentially, this letter documents the BLM's determination that an SRP is not required and documents that the organized group contacted and worked with the BLM in planning their activity. Jack and John ended the

discussion by noting that they wanted to see what kind of support they can get from the RACs for this program. They shared an example of a letter from the Front Range RAC, who supports the program, and asked if the group would consider submitting a similar letter. The RAC members present expressed support for the program, but because of the lack of a quorum, they could not vote. Kathy said she would e-mail a copy of the Front Range RAC letter and ask for approval from absent members.

# Storm Water Regulations on Federal Land: Operators & Meeting State Regulations

Dennis Murphy presented a brief history on storm water management under both the federal and state systems and outlined the two phases for addressing continued water quality impairment as a result of storm water from urban or industrial sites. He explained that oil and gas companies developing BLM mineral resources (on both federal surface or split-estate) are required by the Colorado Water Quality Control Division (CWQCD) to obtain a Storm Water Permit (SWP) for construction activities disturbing one or more acres. This permit requires that the developer prepare a Storm Water Management Plan (SWMP). The developer is not required to submit the plan to the State, but they must keep it on site. Colorado treats everything over one acre the same. They calculate the permit on the total project, which is determined by both the cumulative and contiguous phases of development. About 80-85 percent of all oil and gas activities are 5+ acres because of this common plan of development. The relationship between the State's Storm Water Discharge Permit Program and BLM's Oil and Gas Leasing and Development Program is that if the tract is on private lands, the state permitting process applies. If the tract is on BLM lands, it will go through a review process and stipulations will be attached for surface management based on BLM requirements. When the developer applies for an APD, the BLM will use the guidance from the Environmental Assessment and the Best Management Practices identified in BLM's "Goldbook" to make certain that management is in compliance with all federal, state, and local permitting.

## **Public Comment Period**

Mallory announced that the San Miguel Watershed Coalition (SMWC) and TNC have jointly developed an "ecological report card" for the San Miguel Watershed. With help from the BLM staff, the members have produced a good product that rates six main categories. The report card is available on the SMWC website <a href="www.sanmiguelwatershed.org">www.sanmiguelwatershed.org</a>. She also reported that the town of Mountain Village is considering whether to build high-density "affordable" housing on the valley floor in an Area of Critical Environmental Concern. The site is the old church camp near the river, and it contains around 120 acres. She urged the group to attend the public meeting and comment.

# **Potential Topics for May Meeting:**

The next meeting will be on May 19 in Gunnison at the community center. The group could potentially take a field trip to look at the Powderhorn stewardship contracting, which is a fuels reduction treatment.

Proposed Agenda Items for the next meeting include:

- Northern San Juan EIS
- Gunnison sage-grouse decision (due out March 31) Jim Cochran, committee chair
- CNE Petition

Send any items for the next meeting to Barb, Mel or Kathy.

# **Closing Comments**

Barb reminded people that RAC applications must be turned in by March 27.

There was some final discussion about whether there are provisions in the bylaws on whether or not they can use e-mail to discuss and vote. The group decided to try it on some of the issues, so they can actually vote and get some of these issues off the table. They used e-mail to distill the six points/recommendations down to four points/recommendations on the earlier RAC letter, so they will try the e-mail vote process on the Front Range RAC resolution regarding SRPs and perhaps a RAC comment letter on On-Shore Order No. 1. Once Kathy receives a draft letter, she will e-mail it around and make sure she hears from all the members and has a consensus on any revisions before she submits it. NOTE: No draft was prepared in time to submit before the end of the comment period. The meeting adjourned at 3:15 p.m.